

By: Munford

SJ.R. No. 51

SENATE
✓ JOINT RESOLUTION

1 proposing a constitutional amendment consolidating general
2 obligation bonding authority for certain agricultural funds.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Section 49-i, Article III, Texas Constitution, is
5 amended to read as follows:

6 Sec. 49-i. (a) The legislature by law may provide for the
7 issuance of general obligation bonds of the state for the purpose
8 of providing money to establish a Texas agricultural fund in the
9 state treasury to be used without further appropriation in the
10 manner provided by law, for the purpose of providing money to
11 establish a farm and ranch finance program fund in the state
12 treasury to be used without further appropriation in the manner
13 provided by law, [and] for the purpose of providing money to
14 establish a rural microenterprise development fund in the state
15 treasury to be used without further appropriation in the manner
16 provided by law, and for the purpose of refunding any bonds
17 described by Subsection (e) of this section. The Texas
18 agricultural fund shall be used only to provide financial
19 assistance to develop, increase, improve, or expand the production,
20 processing, marketing, or export of crops or products grown or
21 produced primarily in this state by agricultural businesses
22 domiciled in the state and to pay the costs of administration of
23 the fund. The farm and ranch finance program fund shall be used
24 only to make loans and provide other financing assistance for the 1/2

replaced
by Conference
report

4-20-98
4-25-98

1 purchase of farm and ranch land and to pay the costs of
2 administration of the fund. The rural microenterprise development
3 fund shall be used only in furtherance of a program established by
4 the legislature to foster and stimulate the creation and expansion
5 of small businesses in rural areas and to pay the costs of
6 administration of the fund. The financial assistance offered by
7 all [both] funds established under this subsection may include loan
8 guarantees, insurance, coinsurance, loans, and indirect loans or
9 purchases or acceptances of assignments of loans or other
10 obligations.

11 (b) The principal amount of bonds outstanding at one time
12 may not exceed \$530 [\$25] million [~~for the Texas agricultural fund~~
13 ~~and \$5 million for the rural microenterprise development fund~~].

14 (c) The legislature may establish an interest and sinking
15 account and other accounts within the Texas agricultural fund,
16 within the farm and ranch finance program fund, and within the
17 rural microenterprise development fund. The legislature may
18 provide for the investment of bond proceeds and of the separate
19 funds [interest-and-sinking] accounts. The legislature may also
20 authorize bond enhancement agreements with respect to principal of
21 and interest on the bonds. Income from the investment of money in
22 the funds that is not immediately committed to the payment of the
23 principal of and interest on the bonds or the provision of
24 financial assistance may [~~shall~~] be used to enhance agricultural
25 resource management research and create new employment and business^{2/3}
26 opportunities in the state through the diversification and
27 expansion of agricultural or rural small businesses, as provided by

1 the legislature.

2 (d) Bonds authorized under this section constitute a general
3 obligation of the state. While any of the bonds or interest on the
4 bonds is outstanding and unpaid, or while any amount is owing
5 under any bond enhancement agreements with respect to principal of
6 and interest on such bonds, there is appropriated out of the first
7 money coming into the treasury in each fiscal year, not otherwise
8 appropriated by this constitution, the amount sufficient to pay the
9 principal of and interest on the bonds that mature or become due
10 during the fiscal year, including the amount sufficient to make
11 payments under a bond enhancement agreement with respect to
12 principal of and interest on the bonds during such fiscal year,
13 less any amounts in the interest and sinking accounts at the close
14 of the preceding fiscal year that are pledged to payment of the
15 bonds or interest.

16 (e) The bonds authorized under Subsection (a) of this
17 section may be used to refund bonds issued under Section 49-f of
18 this article as that section existed before January 1, 1996.
19 Outstanding bonds issued under that section:

20 (1) are included in the limitation imposed by
21 Subsection (b) of this section;

22 (2) remain general obligation bonds of this state;

23 (3) are payable under the same terms as provided at
24 issuance;

25 (4) remain available for the same purposes for which
26 they were issued except that the legislature may provide for the
27 administration of the fund in which the proceeds of the bonds were

1 deposited; and

2 (5) are incontestable despite the repeal of that
3 section.

4 SECTION 2. Section 49-f, Article III, Texas Constitution, is
5 repealed.

6 SECTION 3. The following temporary provision is added to
7 the Texas Constitution:

8 TEMPORARY PROVISION. (a) This temporary provision applies
9 to the constitutional amendment proposed by the 74th Legislature,
10 Regular Session, 1995, that consolidates general obligation bonding
11 authority for agricultural funds.

12 (b) The amendment to Section 49-i, Article III, of this
13 constitution and the repeal of Section 49-f, Article III, of this
14 constitution take effect January 1, 1996.

15 (c) This provision expires January 2, 1996.

16 SECTION 4. This proposed constitutional amendment shall be
17 submitted to the voters at an election to be held November 7, 1995.
18 The ballot shall be printed to permit voting for or against the
19 proposition: "The constitutional amendment to consolidate the
20 bonding authority for the farm and ranch finance program fund with
21 the bonding authority for the Texas agricultural fund and the ²/₈
22 rural microenterprise development fund and to provide for enhanced
23 agricultural resource management research."

BILL ANALYSIS

Senate Research Center

S.J.R. 51
By: Montford
Finance
04-19-95
As Filed

BACKGROUND

The Texas Agricultural Finance Authority is permitted to issue \$25 million in general obligation bonds to guarantee loans for the startup and operation costs of agricultural businesses.

Currently, the farm and ranch finance program has \$500 million in voter-approved general obligation bonds available to provide low interest financing for purchasing farm and ranch land. There is a statutory limit of \$150,000 per applicant.

PURPOSE

As proposed, S.J.R. 51 requires the submission to the voters of a constitutional amendment to consolidate the general obligation bonding authority for the Texas agricultural fund, the farm and ranch finance program, and the rural microenterprise development fund.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49-i, Article III, Texas Constitution, as follows:

Sec. 49-i. (a) Authorizes the legislature, by law, to provide for the issuance of state general obligation bonds to provide money for the establishment of a farm and ranch finance program fund, among other funds, in the state treasury and to refund bonds described by Subsection (e). Requires the Texas agricultural fund to be used pay the costs of its administration, among other uses. Requires the farm and ranch finance program fund to be used to make loans and provide financing assistance to purchase farm and ranch land and pay the costs of its administration. Requires the rural microenterprise development fund to be used to pay the costs of its administration, among other uses. Authorizes the financial assistance offered by all funds established under this section to include loans, insurance, and other obligations.

(b) Prohibits the principal amount of bonds outstanding at any one time from exceeding \$530 million. Deletes language placing a limit on the amount of outstanding bonds for the Texas agricultural fund and the rural microenterprise development fund.

(c) Authorizes the legislature to establish an interest and sinking account and other accounts within the farm and ranch finance program fund, among other funds. Authorizes the legislature to provide for the investment of bond proceeds and of the separate fund accounts, rather than of the bond proceeds and of the interest and sinking accounts. Authorizes the legislature to authorize bond enhancement agreements with respect to principal of and interest on the bonds. Authorizes, rather than requires, income from the investment of money in the funds that is not used to pay the principal of and interest on bonds to be used to enhance agricultural resource management research, among other uses.

(d) Provides that while any amount is owed to principal of and interest on bonds under any bond enhancement agreements, amounts will be appropriated out of the first

money coming into the treasury in each fiscal year to make certain payments including payments under a bond enhancement agreement with respect to principal of and interest on bonds during such fiscal year.

(e) Authorizes bonds authorized under Subsection (a) to be used to refund bonds issued under Section 49-f of this article as that section existed before January 1, 1996. Sets forth the status of outstanding bonds issued under that section.

SECTION 2. Repealer: Section 49-f, Article III, Texas Constitution (Bonds to Fund Financial Assistance to Purchase Farm and Ranch Land).

SECTION 3. TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 74th Legislature, Regular Session, 1995, that consolidates general obligation bonding authority for agricultural funds.

(b) Provides that the amendment to Section 49-i, Article III, Texas Constitution, and the repeal of Section 49-f, Article III, Texas Constitution, take effect January 1, 1996.

(c) Provides that this provision expires January 2, 1996.

SECTION 4. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 7, 1995. Sets forth the required language for the ballot.

1 By: Montford

S.J.R. No. 51

2 (In the Senate - Filed March 10, 1995; March 15, 1995, read
3 first time and referred to Committee on Finance; April 20, 1995,
4 reported favorably by the following vote: Yeas 11, Nays 0;
5 April 20, 1995, sent to printer.)

6 SENATE JOINT RESOLUTION

7 proposing a constitutional amendment consolidating general
8 obligation bonding authority for certain agricultural funds.

9 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

10 SECTION 1. Section 49-i, Article III, Texas Constitution, is
11 amended to read as follows:

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13 issuance of general obligation bonds of the state for the purpose
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15 state treasury to be used without further appropriation in the
16 manner provided by law, for the purpose of providing money to
17 establish a farm and ranch finance program fund in the state
18 treasury to be used without further appropriation in the manner
19 provided by law, [and] for the purpose of providing money to
20 establish a rural microenterprise development fund in the state
21 treasury to be used without further appropriation in the manner
22 provided by law, and for the purpose of refunding any bonds
23 described by Subsection (e) of this section. The Texas
24 agricultural fund shall be used only to provide financial
25 assistance to develop, increase, improve, or expand the production,
26 processing, marketing, or export of crops or products grown or
27 produced primarily in this state by agricultural businesses
28 domiciled in the state and to pay the costs of administration of
29 the fund. The farm and ranch finance program fund shall be used
30 only to make loans and provide other financing assistance for the
31 purchase of farm and ranch land and to pay the costs of
32 administration of the fund. The rural microenterprise development
33 fund shall be used only in furtherance of a program established by
34 the legislature to foster and stimulate the creation and expansion
35 of small businesses in rural areas and to pay the costs of
36 administration of the fund. The financial assistance offered by
37 all [both] funds established under this subsection may include loan
38 guarantees, insurance, coinsurance, loans, and indirect loans or
39 purchases or acceptances of assignments of loans or other
40 obligations.

41 (b) The principal amount of bonds outstanding at one time
42 may not exceed \$530 [~~\$25~~] million [~~for the Texas agricultural fund~~
43 ~~and \$5 million for the rural microenterprise development fund~~].

44 (c) The legislature may establish an interest and sinking
45 account and other accounts within the Texas agricultural fund,
46 within the farm and ranch finance program fund, and within the
47 rural microenterprise development fund. The legislature may
48 provide for the investment of bond proceeds and of the separate
49 funds [interest--and--sinking] accounts. The legislature may also
50 authorize bond enhancement agreements with respect to principal of
51 and interest on the bonds. Income from the investment of money in
52 the funds that is not immediately committed to the payment of the
53 principal of and interest on the bonds or the provision of
54 financial assistance may [shall] be used to enhance agricultural
55 resource management research and create new employment and business
56 opportunities in the state through the diversification and
57 expansion of agricultural or rural small businesses, as provided by
58 the legislature.

59 (d) Bonds authorized under this section constitute a general
60 obligation of the state. While any of the bonds or interest on the
61 bonds is outstanding and unpaid, or while any amount is owing
62 under any bond enhancement agreements with respect to principal of
63 and interest on such bonds, there is appropriated out of the first
64 money coming into the treasury in each fiscal year, not otherwise
65 appropriated by this constitution, the amount sufficient to pay the
66 principal of and interest on the bonds that mature or become due
67 during the fiscal year, including the amount sufficient to make
68 payments under a bond enhancement agreement with respect to

principal of and interest on the bonds during such fiscal year, less any amounts in the interest and sinking accounts at the close of the preceding fiscal year that are pledged to payment of the bonds or interest.

(e) The bonds authorized under Subsection (a) of this section may be used to refund bonds issued under Section 49-f of this article as that section existed before January 1, 1996. Outstanding bonds issued under that section:

(1) are included in the limitation imposed by Subsection (b) of this section;

(2) remain general obligation bonds of this state;

(3) are payable under the same terms as provided at issuance;

(4) remain available for the same purposes for which they were issued except that the legislature may provide for the administration of the fund in which the proceeds of the bonds were deposited; and

(5) are incontestable despite the repeal of that section.

SECTION 2. Section 49-f, Article III, Texas Constitution, is repealed.

SECTION 3. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 74th Legislature, Regular Session, 1995, that consolidates general obligation bonding authority for agricultural funds.

(b) The amendment to Section 49-i, Article III, of this constitution and the repeal of Section 49-f, Article III, of this constitution take effect January 1, 1996.

(c) This provision expires January 2, 1996.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 1995. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to consolidate the bonding authority for the farm and ranch finance program fund with the bonding authority for the Texas agricultural fund and the rural microenterprise development fund and to provide for enhanced agricultural resource management research."

* * * * *

**FAVORABLE
SENATE COMMITTEE REPORT ON**

SB SCR SJR SR HB HCR HJR 51
By Montford
(Author/Senate Sponsor)
4-20-95
(date)

We, your Committee on FINANCE, to which was referred the attached measure,
have on 4-20-95, had the same under consideration and I am instructed to report it
(date of hearing)
back with the recommendation (s) that it:

- ☒ do pass and be printed
☐ do pass and be ordered not printed
☐ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☐ yes ☒ no

An actuarial analysis was requested. ☐ yes ☒ no

Considered by subcommittee. ☐ yes ☒ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
Montford, Chair	<input checked="" type="checkbox"/>			
Brown, Vice-Chair			<input checked="" type="checkbox"/>	
Barrientos	<input checked="" type="checkbox"/>			
Bivins	<input checked="" type="checkbox"/>			
Ellis	<input checked="" type="checkbox"/>			
Lucio	<input checked="" type="checkbox"/>			
Moncrief	<input checked="" type="checkbox"/>			
Ratliff	<input checked="" type="checkbox"/>			
Rosson	<input checked="" type="checkbox"/>			
Sibley			<input checked="" type="checkbox"/>	
Truan	<input checked="" type="checkbox"/>			
Turner	<input checked="" type="checkbox"/>			
Zaffirini	<input checked="" type="checkbox"/>			
TOTAL VOTES	11	0	2	0

COMMITTEE ACTION

- ☒ 8260 Considered in public hearing
☒ 8270 Testimony taken

Gerry Sanchez
COMMITTEE CLERK

Lu B...
CHAIRMAN, acting

Paper clip the original and one copy of this signed form to the original bill
Retain one copy of this form for Committee files

BILL ANALYSIS

Senate Research Center

S.J.R. 51
By: Montford
Finance
04-21-95

Committee Report (Unamended)

BACKGROUND

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Currently, the farm and ranch finance program has \$500 million in voter-approved general obligation bonds available to provide low interest financing for purchasing farm and ranch land. There is a statutory limit of \$150,000 per applicant.

PURPOSE

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RULEMAKING AUTHORITY

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SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49-i, Article III, Texas Constitution, as follows:

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(b) Prohibits the principal amount of bonds outstanding at any one time from exceeding \$530 million. Deletes language placing a limit on the amount of outstanding bonds for the Texas agricultural fund and the rural microenterprise development fund.

(c) Authorizes the legislature to establish an interest and sinking account and other accounts within the farm and ranch finance program fund, among other funds. Authorizes the legislature to provide for the investment of bond proceeds and of the separate fund accounts, rather than of the bond proceeds and of the interest and sinking accounts. Authorizes the legislature to authorize bond enhancement agreements with respect to principal of and interest on the bonds. Authorizes, rather than requires, income from the investment of money in the funds that is not used to pay the principal of and interest on bonds to be used to enhance agricultural resource management research, among other uses.

(d) Provides that while any amount is owed to principal of and interest on bonds under any bond enhancement agreements, amounts will be appropriated out of the first

money coming into the treasury in each fiscal year to make certain payments including payments under a bond enhancement agreement with respect to principal of and interest on bonds during such fiscal year.

(e) Authorizes bonds authorized under Subsection (a) to be used to refund bonds issued under Section 49-f of this article as that section existed before January 1, 1996. Sets forth the status of outstanding bonds issued under that section.

SECTION 2. Repealer: Section 49-f, Article III, Texas Constitution (Bonds to Fund Financial Assistance to Purchase Farm and Ranch Land).

SECTION 3. TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 74th Legislature, Regular Session, 1995, that consolidates general obligation bonding authority for agricultural funds.

(b) Provides that the amendment to Section 49-i, Article III, Texas Constitution, and the repeal of Section 49-f, Article III, Texas Constitution, take effect January 1, 1996.

(c) Provides that this provision expires January 2, 1996.

SECTION 4. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 7, 1995. Sets forth the required language for the ballot.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

April 19, 1995

TO: Honorable John T. Montford, Chair
Committee on Finance
Senate
Austin, Texas

IN RE: Senate Joint Resolution
No. 51
By: Montford

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (Proposing a constitutional amendment consolidating general obligation bonding authority for certain agricultural funds.) this office has determined the following:

The bill would propose a constitutional amendment to consolidate general obligation bonding authority within the Department of Agriculture for the farm and ranch finance program fund, the Texas agricultural fund, and the rural microenterprise development fund.

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the State for publication of the resolution is \$90,000.

Source: Department of Agriculture
LBB Staff: JK, JH, DF

From: S7540A3 --TXLCNJE

Date and time

04/20/95 14:01:05

NOTE

Subject: (BILL NO.) WITNESS - FINANCE

Revised: WITNESS FORM
74th Legislature

COMMITTEE: Finance

BILL: SJR 51

DATE: 04 20 95

FOR AGAINST ON

Name: Rick Perry
Representing: TDA
City: Austin

x - -

Name: Robert Kennedy
Representing: TDA
City: Austin

x - -

Name: Barry McBee
Representing: TDA
City: Austin

x - -

Name:
Representing:
City:

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PART OF

<<<<===== END OF FORM =====>>>>

April 25 1995 Engrossed
Patty Shaw
Engrossing Clerk

55 MAY 1 AM 9:10
HOUSE OF REPRESENTATIVES

I certify that this document is a true
and correct copy of the engrossed Senate
measure as it was received from the Senate
and referred to the Committee on

Financial Institutions
Cynthia Schubert
Chief Clerk of the House

By: Montford

S.J.R. No. 51

SENATE JOINT RESOLUTION

1 proposing a constitutional amendment consolidating general
2 obligation bonding authority for certain agricultural funds.
3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:
4 SECTION 1. Section 49-i, Article III, Texas Constitution, is
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6 Sec. 49-i. (a) The legislature by law may provide for the
7 issuance of general obligation bonds of the state for the purpose
8 of providing money to establish a Texas agricultural fund in the
9 state treasury to be used without further appropriation in the
10 manner provided by law, for the purpose of providing money to
11 establish a farm and ranch finance program fund in the state
12 treasury to be used without further appropriation in the manner
13 provided by law, [and] for the purpose of providing money to
14 establish a rural microenterprise development fund in the state
15 treasury to be used without further appropriation in the manner
16 provided by law, and for the purpose of refunding any bonds
17 described by Subsection (e) of this section. The Texas
18 agricultural fund shall be used only to provide financial
19 assistance to develop, increase, improve, or expand the production,
20 processing, marketing, or export of crops or products grown or
21 produced primarily in this state by agricultural businesses
22 domiciled in the state and to pay the costs of administration of
23 the fund. The farm and ranch finance program fund shall be used
24 only to make loans and provide other financing assistance for the

1 purchase of farm and ranch land and to pay the costs of
2 administration of the fund. The rural microenterprise development
3 fund shall be used only in furtherance of a program established by
4 the legislature to foster and stimulate the creation and expansion
5 of small businesses in rural areas and to pay the costs of
6 administration of the fund. The financial assistance offered by
7 all [both] funds established under this subsection may include loan
8 guarantees, insurance, coinsurance, loans, and indirect loans or
9 purchases or acceptances of assignments of loans or other
10 obligations.

11 (b) The principal amount of bonds outstanding at one time
12 may not exceed \$530 [\$25] million [~~for-the-Texas-agricultural--fund~~
13 ~~and-\$5-million-for-the-rural-microenterprise-development-fund~~].

14 (c) The legislature may establish an interest and sinking
15 account and other accounts within the Texas agricultural fund,
16 within the farm and ranch finance program fund, and within the
17 rural microenterprise development fund. The legislature may
18 provide for the investment of bond proceeds and of the separate
19 funds [interest-and-sinking] accounts. The legislature may also
20 authorize bond enhancement agreements with respect to principal of
21 and interest on the bonds. Income from the investment of money in
22 the funds that is not immediately committed to the payment of the
23 principal of and interest on the bonds or the provision of
24 financial assistance may [~~shall~~] be used to enhance agricultural
25 resource management research and create new employment and business

1 opportunities in the state through the diversification and
2 expansion of agricultural or rural small businesses, as provided by
3 the legislature.

4 (d) Bonds authorized under this section constitute a general
5 obligation of the state. While any of the bonds or interest on the
6 bonds is outstanding and unpaid, or while any amount is owing
7 under any bond enhancement agreements with respect to principal of
8 and interest on such bonds, there is appropriated out of the first
9 money coming into the treasury in each fiscal year, not otherwise
10 appropriated by this constitution, the amount sufficient to pay the
11 principal of and interest on the bonds that mature or become due
12 during the fiscal year, including the amount sufficient to make
13 payments under a bond enhancement agreement with respect to
14 principal of and interest on the bonds during such fiscal year,
15 less any amounts in the interest and sinking accounts at the close
16 of the preceding fiscal year that are pledged to payment of the
17 bonds or interest.

18 (e) The bonds authorized under Subsection (a) of this
19 section may be used to refund bonds issued under Section 49-f of
20 this article as that section existed before January 1, 1996.
21 Outstanding bonds issued under that section:

22 (1) are included in the limitation imposed by
23 Subsection (b) of this section;

24 (2) remain general obligation bonds of this state;

25 (3) are payable under the same terms as provided at

1 issuance;

2 (4) remain available for the same purposes for which
3 they were issued except that the legislature may provide for the
4 administration of the fund in which the proceeds of the bonds were
5 deposited; and

6 (5) are incontestable despite the repeal of that
7 section.

8 SECTION 2. Section 49-f, Article III, Texas Constitution, is
9 repealed.

10 SECTION 3. The following temporary provision is added to
11 the Texas Constitution:

12 TEMPORARY PROVISION. (a) This temporary provision applies
13 to the constitutional amendment proposed by the 74th Legislature,
14 Regular Session, 1995, that consolidates general obligation bonding
15 authority for agricultural funds.

16 (b) The amendment to Section 49-i, Article III, of this
17 constitution and the repeal of Section 49-f, Article III, of this
18 constitution take effect January 1, 1996.

19 (c) This provision expires January 2, 1996.

20 SECTION 4. This proposed constitutional amendment shall be
21 submitted to the voters at an election to be held November 7, 1995.
22 The ballot shall be printed to permit voting for or against the
23 proposition: "The constitutional amendment to consolidate the
24 bonding authority for the farm and ranch finance program fund with
25 the bonding authority for the Texas agricultural fund and the

S.J.R. No. 51

- 1 rural microenterprise development fund and to provide for enhanced
- 2 agricultural resource management research."

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

April 19, 1995

TO: Honorable John T. Montford, Chair
Committee on Finance
Senate
Austin, Texas

IN RE: Senate Joint Resolution
No. 51
By: Montford

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (Proposing a constitutional amendment consolidating general obligation bonding authority for certain agricultural funds.) this office has determined the following:

The bill would propose a constitutional amendment to consolidate general obligation bonding authority within the Department of Agriculture for the farm and ranch finance program fund, the Texas agricultural fund, and the rural microenterprise development fund.

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the State for publication of the resolution is \$90,000.

Source: Department of Agriculture
LBB Staff: JK, JH, DF

HOUSE COMMITTEE REPORT

95 MAY -9 AM 9:50
HOUSE OF REPRESENTATIVES

1st Printing

By Montford S.J.R. No. 51
(Patterson)
Substitute the following for S.J.R. No. 51:
By Patterson C.S. S.J.R. No. 51

A JOINT RESOLUTION

1 proposing a constitutional amendment relating to the use of
2 proceeds of bonds issued for financing of farm and ranch land.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Section 49-f, Article III, Texas Constitution, is
5 amended by adding Subsection (g) to read as follows:

6 (g) Notwithstanding Subsections (a) and (b) of this section,
7 the proceeds of \$200 million of the bonds authorized by this
8 section may be used for the purposes provided by Section 49-i of
9 this article and for other rural economic development programs, and
10 the proceeds of bonds issued for those purposes under this
11 subsection shall be deposited in the Texas agricultural fund to be
12 administered in the same manner that proceeds of bonds issued under
13 Section 49-i of this article are administered.

14 SECTION 2. This proposed constitutional amendment shall be
15 submitted to the voters at an election to be held on November 7,
16 1995. The ballot shall be printed to provide for voting for or
17 against the proposition: "The constitutional amendment including
18 diversifying the production, processing, marketing and export of
19 Texas agricultural products and other rural economic development
20 programs as authorized uses of farm and ranch finance program bonds
21 approved by the voters in 1989."

COMMITTEE REPORT

The Honorable Pete Laney
Speaker of the House of Representatives

5/8/95
(date)

Sir:

We, your Committee on Financial Institutions
to whom was referred SJR 51 have had the same under consideration and beg to report
back with the recommendation that it

- () do pass, without amendment.
() do pass, with amendment(s).
(✓) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.
(✓) yes () no A fiscal note was requested.
() yes (✓) no A criminal justice policy impact statement was requested.
() yes (✓) no An equalized educational funding impact statement was requested.
() yes (✓) no An actuarial analysis was requested.
() yes (✓) no A water development policy impact statement was requested.
() The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor Patterson

Joint Sponsors _____ / _____ / _____ / _____

Co-Sponsors: _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Marchant Marchant, Ch.				✓
Carona, V.C.	✓			
Elkins				✓
Giddings				✓
Grusendorf	✓			
Gutierrez	✓			
Hudson	✓			
Patterson	✓			
Romo	✓			

Total 6 aye
0 nay
0 present, not voting
3 absent

P. Marchant
CHAIRMAN

BILL ANALYSIS

Financial Institutions Committee
C.S.S.J.R. 51
By: Montford (Patterson)
May 5, 1995
Committee Report (Substituted)

BACKGROUND

In 1993 legislation was passed that set up the administration of the Farm and Ranch Finance Program in the Texas Department of Agriculture (TDA). The purpose of the program is to provide affordable financing to eligible farmers and ranchers in order to purchase land for a base of operation. The program is funded by \$500 million of general obligation bonds. TDA administrators do not expect the demand for loans to reach \$500 million.

The TDA administers the Texas Agricultural Finance Authority (authority) that was created in 1987. The authority has \$25 million in general obligation bonds and \$500 million in revenue bonds, the proceeds of which are deposited in the Texas Agricultural Fund. The authority has issued the general obligation bonds and is in the process of issuing the revenue bonds. The authority has been successful in providing financial assistance for the expansion, development and diversification of production, processing, marketing and export of Texas agricultural products. The demand for assistance from the authority continues to be high.

PURPOSE

C.S.S.J.R. 51 expands the use of bond proceeds of the farm and ranch finance program to include diversifying the production, processing, marketing and export of Texas agricultural products and other rural economic development programs.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency or institution.

SECTION BY SECTION ANALYSIS

SECTION 1. Section 49-f, Article III, Texas Constitution, is amended by adding Subsection (g).

(g) Authorizes the use of the proceeds of \$200 million of the Farm and Ranch Land bonds to be deposited in the Texas Agricultural Fund to provide financial assistance to develop, increase, improve, or expand the production, processing, marketing, or export of crops or products grown or produced primarily in this state by Texas agricultural businesses and for other rural economic development programs.

SECTION 2. Sets forth that this proposed constitutional amendment shall be submitted to the voters on November 7, 1995. Sets forth the language of the proposition.

COMPARISON OF ORIGINAL TO SUBSTITUTE

SJR 51 as engrossed consolidates the general obligation bonding authority for the Texas agricultural fund, the farm and ranch finance program, and the rural microenterprise development fund. This means that an additional \$505 million in bonds would be added to the Texas agricultural fund for the purpose of developing, increasing, improving, or expanding the production, processing, marketing, or export of crops or products. \$500 million would come from the Farm and Ranch Finance program and \$5 million from the microenterprise

fund. This bonding authority has already been authorized by voters.

The substitute authorizes only \$200 million of the \$500 million Farm and Ranch finance bonds to be available in the Texas agricultural fund for the use of diversifying the production, processing, marketing and export of Texas agricultural products and other rural economic development programs.

SUMMARY OF COMMITTEE ACTION

The committee considered SJR 51 in a formal meeting on May 8, 1995.

The committee considered a complete committee substitute for the bill which was adopted without objection.

The bill was reported favorably as substituted, with the recommendation that it do pass and be printed, by the following record vote: 6 Ayes, 0 Nays, 0 PNV, 3 Absent.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

May 8, 1995

TO: Honorable Kenny Marchant, Chair
Committee on Financial Institutions
House of Representatives
Austin, Texas

IN RE: Committee Substitute for
Senate Joint Resolution
No. 51
By: Montford

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (proposing a constitutional amendment relating to the use of proceeds of bonds issued for financing of farm and ranch land) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,000.

Source: LBB Staff: JK, RS, RR

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

May 2, 1995

TO: Honorable Kenny Marchant, Chair
Committee on Financial Institutions
House of Representatives
Austin, Texas

IN RE: Senate Joint Resolution
No. 51, as engrossed
By: Montford

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (Proposing a constitutional amendment consolidating general obligation bonding authority for certain agricultural funds.) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,000.

Source: LBB Staff: JK, SM, DF

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

April 19, 1995

TO: Honorable John T. Montford, Chair
Committee on Finance
Senate
Austin, Texas

IN RE: Senate Joint Resolution
No. 51
By: Montford

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (Proposing a constitutional amendment consolidating general obligation bonding authority for certain agricultural funds.) this office has determined the following:

The bill would propose a constitutional amendment to consolidate general obligation bonding authority within the Department of Agriculture for the farm and ranch finance program fund, the Texas agricultural fund, and the rural microenterprise development fund.

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the State for publication of the resolution is \$90,000.

Source: Department of Agriculture
LBB Staff: JK, JH, DF

ADOPTED

MAY 9 1995

Cynthia G. Gierhardt
Chief Clerk
House of Representatives

By Montford

S.J.R. No. 51

Substitute the following for S.J.R. No. 51:

By Patterson

C.S. S.J.R. No. 51

A JOINT RESOLUTION

1 proposing a constitutional amendment relating to the use of
2 proceeds of bonds issued for financing of farm and ranch land.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Section 49-f, Article III, Texas Constitution, is
5 amended by adding Subsection (g) to read as follows:

6 (g) Notwithstanding Subsections (a) and (b) of this section,
7 the proceeds of \$200 million of the bonds authorized by this
8 section may be used for the purposes provided by Section 49-i of
9 this article and for other rural economic development programs, and
10 the proceeds of bonds issued for those purposes under this
11 subsection shall be deposited in the Texas agricultural fund to be
12 administered in the same manner that proceeds of bonds issued under
13 Section 49-i of this article are administered.

14 SECTION 2. This proposed constitutional amendment shall be
15 submitted to the voters at an election to be held on November 7,
16 1995. The ballot shall be printed to provide for voting for or
17 against the proposition: "The constitutional amendment including
18 diversifying the production, processing, marketing and export of
19 Texas agricultural products and other rural economic development
20 programs as authorized uses of farm and ranch finance program bonds
21 approved by the voters in 1989."

MAY 09 1995

LIST OF HOUSE AMENDMENTS CONSIDERED

SJR51.2n - Second Reading

<u>AMENDMENT #</u>	<u>AUTHOR</u>	<u>DESCRIPTION</u>	<u>ACTION</u>
1	Kubiak	Amendment	Withdrawn

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 19, 1995

Date

Honorable Bob Bullock
President of the Senate

Honorable James E. "Pete" Laney
Speaker of the House of Representatives

ADOPTED

30-1
MAY 29 1995

Secretary of the Senate
Secretary of the Senate

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on S.J.R. 51 have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

John T. Montford
Sen. John T. Montford

Teel Bivins
Sen. Teel Bivins

Buster Brown
Sen. Buster Brown

Eddie Lucio
Sen. Eddie Lucio

Carlos F. Truan
On the part of the Senate

Sen. Carlos Truan

Pete Patterson
Rep. Pete Patterson

Dan Kubiak
Rep. Dan Kubiak

Kenny Marchant
Rep. Kenny Marchant

Layton Black
Rep. Layton Black

Robert Junell
On the part of the House

Rep. Robert Junell

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

MAY 26 1995

Filed with the Secretary of the Senate

APBee

Conference Committee Report

S.J.R. 51

by Montford

SENATE
JOINT RESOLUTION

proposing a constitutional amendment relating to the use of proceeds of bonds issued for financing of farm and ranch land.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 49-f, Article III, Texas Constitution, is amended by amending Subsections (b) and ^{by} adding Subsection (g) to read as follows:

(b) Except as provided by Subsection (g) of this section, all ^{the} ~~[All]~~ money received from the sale of ^{by} bonds shall be deposited in a fund created with the state treasurer to be known as the farm and ranch finance program fund. This fund shall be administered by the Texas Agricultural Finance Authority ~~[Veterans' Land Board]~~ in the manner prescribed by law.

(g) Notwithstanding Subsection (a) of this section, the proceeds of \$200 million of the bonds authorized by this section may be used for the purposes provided by Section 49-i of this article and for other rural economic development programs, and the proceeds of bonds issued for those purposes under this subsection shall be deposited in the Texas agricultural fund, to be administered in the same manner that proceeds of bonds issued under Section 49-i of this article are administered.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 7, 1995. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment allowing the use of ²/₂ existing bond authority of the farm and ranch finance program to include financial assistance for the expansion, development, and diversification of production, processing, marketing, and export of Texas agricultural products." ²/₃

Conference Report
5-29-95

CONFERENCE COMMITTEE REPORT FOR S.J.R. 51

	SENATE		HOUSE	CONFERENCE COMMITTEE REPORT
<u>SECTION 1</u>	<p>Amend Sec. 49-i, Art. III, Texas Constitution, to provide for:</p> <p>[1] Consolidation of the existing bond authorizations for the Farm and Ranch Land Program, the Texas Agricultural Finance Authority (TAFA) loan guaranty program, and the Rural Microenterprise Program to create a \$530 million pool of bond authority to serve the purposes of all three programs; and</p> <p>[2] Transfer administration of the Farm and Ranch Finance Program Fund from the Veterans' Land Board to TAFA.</p>	<u>SECTION 1</u>	<p>Amend Sec. 49-f, Art. III, Texas Constitution, to allow the use of \$200 million of bonds authorized for the Farm and Ranch Land Program by the TAFA loan guaranty program and other rural economic development programs.</p>	<p>House version -- modified.</p> <p>[1] Amend Sec. 49-f, Art. III, Texas Constitution, to allow the use of \$200 million of bonds authorized for the Farm and Ranch Land Program by the TAFA loan guaranty program and other rural economic development programs.</p> <p>[2] Transfer administration of the Farm and Ranch Finance Program Fund from the Veterans' Land Board to TAFA.</p>
<u>SECTION 2</u>	Repeal Sec. 49-f, Art. III, Texas Constitution.		No similar provision.	House version.
<u>SECTION 3</u>	Temporary provision to provide for an effective date of January 1, 1996 in a manner that does not require placement of the effective date within the text of the Constitution.		No similar provision -- effective upon voter approval.	House version.
<u>SECTION 4</u>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment to consolidate the bonding authority for the farm and ranch finance program fund with the bonding authority for the Texas agricultural fund and the rural microenterprise development fund and to provide for enhanced agricultural resource management research."</p>	<u>SECTION 2</u>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment including diversifying the production, processing, marketing and export of Texas agricultural products and other rural economic development programs as authorized uses of farm and ranch finance program bonds approved by the voters in 1989."</p>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment allowing the use of existing bond authority of the farm and ranch finance program to include financial assistance for the expansion, development, and diversification of production, processing, marketing, and export of Texas agricultural products."</p>

BL

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

May 22, 1995

TO: Honorable Bob Bullock
Lieutenant Governor
Senate Chamber
Austin, Texas

Honorable Pete Laney
Speaker of the House
House of Representatives
Austin, Texas

IN RE: Conference Committee Report for
Senate Joint Resolution No. 51

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (proposing a constitutional amendment relating to the use of proceeds of bonds issued for financing of farm and ranch land) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,000.

Source: LBB Staff: JK, DF

CONFERENCE COMMITTEE REPORT FORM

ADOPTED

by record vote 139 yeas

Austin, Texas
May 3pm

MAY 27 1995

May 19, 1995

Date

HOUSE OF REPRESENTATIVES

95 MAY 26 PM 4:52

Cynthia Gubardt
Chief Clerk
House of Representatives

Honorable Bob Bullock
President of the Senate

Honorable James E. "Pete" Laney
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on S.J.R. 51 have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

John T. Montford
Sen. John T. Montford

Teel Eivins
Sen. Teel Eivins

Buster Brown
Sen. Buster Brown

Eddie Lucio
Sen. Eddie Lucio

Carlos Truan
On the part of the Senate
Sen. Carlos Truan

Pete Patterson
Rep. Pete Patterson

Dan Kubiak
Rep. Dan Kubiak

Kenny Marchant
Rep. Kenny Marchant

Layton Black
Rep. Layton Black

Robert Junell
On the part of the House
Rep. Robert Junell

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

Conference Committee Report

S.J.R. 51

by Montford

SENATE

A JOINT RESOLUTION

proposing a constitutional amendment relating to the use of proceeds of bonds issued for financing of farm and ranch land.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 49-f, Article III, Texas Constitution, is amended by amending Subsections (b) and ^{by} adding Subsection (g) to read as follows:

(b) Except as provided by Subsection (g) of this section, all ~~[All]~~ ^{the} money received from the sale of bonds shall be deposited in a fund created with the state treasurer to be known as the farm and ranch finance program fund. This fund shall be administered by the Texas Agricultural Finance Authority ~~[Veterans' Land Board]~~ in the manner prescribed by law.

(g) Notwithstanding Subsection (a) of this section, the proceeds of \$200 million of the bonds authorized by this section may be used for the purposes provided by Section 49-i of this article and for other rural economic development programs, and the proceeds of bonds issued for those purposes under this subsection shall be deposited in the Texas agricultural fund, to be administered in the same manner that proceeds of bonds issued under Section 49-i of this article are administered.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 7, 1995. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment allowing the use of existing bond authority of the farm and ranch finance program to include financial assistance for the expansion, development, and diversification of production, processing, marketing, and export of Texas agricultural products."

Conference Report
5-28-95

CONFERENCE COMMITTEE REPORT FOR S.J.R. 51

	SENATE		HOUSE	CONFERENCE COMMITTEE REPORT
<u>SECTION 1</u>	<p>Amend Sec. 49-i, Art. III, Texas Constitution, to provide for:</p> <p>[1] Consolidation of the existing bond authorizations for the Farm and Ranch Land Program, the Texas Agricultural Finance Authority (TAFA) loan guaranty program, and the Rural Microenterprise Program to create a \$530 million pool of bond authority to serve the purposes of all three programs; and</p> <p>[2] Transfer administration of the Farm and Ranch Finance Program Fund from the Veterans' Land Board to TAFA.</p>	<u>SECTION 1</u>	<p>Amend Sec. 49-f, Art. III, Texas Constitution, to allow the use of \$200 million of bonds authorized for the Farm and Ranch Land Program by the TAFA loan guaranty program and other rural economic development programs.</p>	<p>House version -- modified.</p> <p>[1] Amend Sec. 49-f, Art. III, Texas Constitution, to allow the use of \$200 million of bonds authorized for the Farm and Ranch Land Program by the TAFA loan guaranty program and other rural economic development programs.</p> <p>[2] Transfer administration of the Farm and Ranch Finance Program Fund from the Veterans' Land Board to TAFA.</p>
<u>SECTION 2</u>	Repeal Sec. 49-f, Art. III, Texas Constitution.		No similar provision.	House version.
<u>SECTION 3</u>	Temporary provision to provide for an effective date of January 1, 1996 in a manner that does not require placement of the effective date within the text of the Constitution.		No similar provision -- effective upon voter approval.	House version.
<u>SECTION 4</u>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment to consolidate the bonding authority for the farm and ranch finance program fund with the bonding authority for the Texas agricultural fund and the rural microenterprise development fund and to provide for enhanced agricultural resource management research."</p>	<u>SECTION 2</u>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment including diversifying the production, processing, marketing and export of Texas agricultural products and other rural economic development programs as authorized uses of farm and ranch finance program bonds approved by the voters in 1989."</p>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment allowing the use of existing bond authority of the farm and ranch finance program to include financial assistance for the expansion, development, and diversification of production, processing, marketing, and export of Texas agricultural products."</p>

bc

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

May 22, 1995

TO: Honorable Bob Bullock
Lieutenant Governor
Senate Chamber
Austin, Texas

Honorable Pete Laney
Speaker of the House
House of Representatives
Austin, Texas

IN RE: Conference Committee Report for
Senate Joint Resolution No. 51

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (proposing a constitutional amendment relating to the use of proceeds of bonds issued for financing of farm and ranch land) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,000.

Source: LBB Staff: JK, DF

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 19, 1995

Date

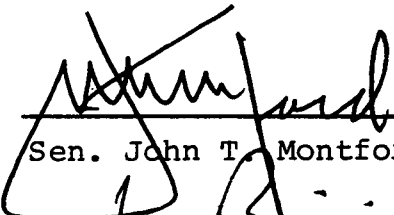
95 MAY 26 PM 4:52
HOUSE OF REPRESENTATIVES

Honorable Bob Bullock
President of the Senate

Honorable James E. "Pete" Laney
Speaker of the House of Representatives

Sirs:

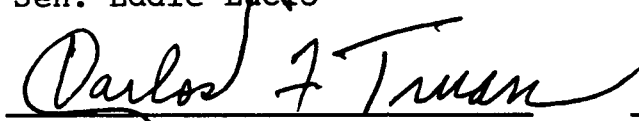
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on S.J.R. 51 have met and had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.


Sen. John T. Montford

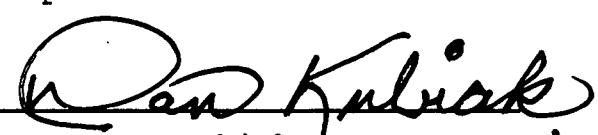

Sen. Teel Bivins

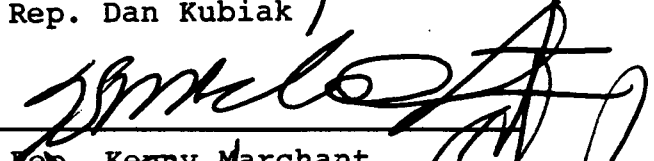

Sen. Buster Brown


Sen. Eddie Lucio


On the part of the Senate
Sen. Carlos Truan


Rep. Pete Patterson


Rep. Dan Kubiak


Rep. Kenny Marchant


Rep. Layton Black


On the part of the House
Rep. Robert Junell

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

S.J.R. 51

A JOINT RESOLUTION

1 proposing a constitutional amendment relating to the use of
2 proceeds of bonds issued for financing of farm and ranch land.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Section 49-f, Article III, Texas Constitution, is
5 amended by amending Subsections (b) and adding Subsection (g) to
6 read as follows:

7 (b) Except as provided by Subsection (g) of this section, all
8 ~~[All]~~ money received from the sale of bonds shall be deposited in
9 a fund created with the state treasurer to be known as the farm and
10 ranch finance program fund. This fund shall be administered by the
11 Texas Agricultural Finance Authority ~~[Veterans' Land Board]~~ in the
12 manner prescribed by law.

13 (g) Notwithstanding Subsection (a) of this section, the
14 proceeds of \$200 million of the bonds authorized by this section
15 may be used for the purposes provided by Section 49-i of this
16 article and for other rural economic development programs, and the
17 proceeds of bonds issued for those purposes under this subsection
18 shall be deposited in the Texas agricultural fund, to be
19 administered in the same manner that proceeds of bonds issued under
20 Section 49-i of this article are administered.

21 SECTION 2. This proposed constitutional amendment shall be
22 submitted to the voters at an election to be held on November 7,
23 1995. The ballot shall be printed to permit voting for or against
24 the proposition: "The constitutional amendment allowing the use of
25 existing bond authority of the farm and ranch finance program to
26 include financial assistance for the expansion, development, and
27 diversification of production, processing, marketing, and export of
28 Texas agricultural products."

CONFERENCE COMMITTEE REPORT FOR S.J.R. 51

	SENATE		HOUSE	CONFERENCE COMMITTEE REPORT
<u>SECTION 1</u>	<p>Amend Sec. 49-i, Art. III, Texas Constitution, to provide for:</p> <p>[1] Consolidation of the existing bond authorizations for the Farm and Ranch Land Program, the Texas Agricultural Finance Authority (TAFA) loan guaranty program, and the Rural Microenterprise Program to create a \$530 million pool of bond authority to serve the purposes of all three programs; and</p> <p>[2] Transfer administration of the Farm and Ranch Finance Program Fund from the Veterans' Land Board to TAFA.</p>	<u>SECTION 1</u>	<p>Amend Sec. 49-f, Art. III, Texas Constitution, to allow the use of \$200 million of bonds authorized for the Farm and Ranch Land Program by the TAFA loan guaranty program and other rural economic development programs.</p>	<p>House version -- modified.</p> <p>[1] Amend Sec. 49-f, Art. III, Texas Constitution, to allow the use of \$200 million of bonds authorized for the Farm and Ranch Land Program by the TAFA loan guaranty program and other rural economic development programs.</p> <p>[2] Transfer administration of the Farm and Ranch Finance Program Fund from the Veterans' Land Board to TAFA.</p>
<u>SECTION 2</u>	Repeal Sec. 49-f, Art. III, Texas Constitution.		No similar provision.	House version.
<u>SECTION 3</u>	Temporary provision to provide for an effective date of January 1, 1996 in a manner that does not require placement of the effective date within the text of the Constitution.		No similar provision -- effective upon voter approval.	House version.
<u>SECTION 4</u>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment to consolidate the bonding authority for the farm and ranch finance program fund with the bonding authority for the Texas agricultural fund and the rural microenterprise development fund and to provide for enhanced agricultural resource management research."</p>	<u>SECTION 2</u>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment including diversifying the production, processing, marketing and export of Texas agricultural products and other rural economic development programs as authorized uses of farm and ranch finance program bonds approved by the voters in 1989."</p>	<p>Election to be held on November 1, 1995; provides the following ballot language:</p> <p>"The constitutional amendment allowing the use of existing bond authority of the farm and ranch finance program to include financial assistance for the expansion, development, and diversification of production, processing, marketing, and export of Texas agricultural products."</p>

b2

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
74th Regular Session

May 22, 1995

TO: Honorable Bob Bullock
Lieutenant Governor
Senate Chamber
Austin, Texas

Honorable Pete Laney
Speaker of the House
House of Representatives
Austin, Texas

IN RE: Conference Committee Report for
Senate Joint Resolution No. 51

FROM: John Keel, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 51 (proposing a constitutional amendment relating to the use of proceeds of bonds issued for financing of farm and ranch land) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,000.

Source: LBB Staff: JK, DF

3

Enrolled May 29, 1995
Daisy Hay
Enrolling Clerk

Filed
CL

S.J.R. No. 51

SENATE JOINT RESOLUTION

proposing a constitutional amendment relating to the use of proceeds of bonds issued for financing of farm and ranch land.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 49-f, Article III, Texas Constitution, is amended by amending Subsection (b) and by adding Subsection (g) to read as follows:

(b) Except as provided by Subsection (g) of this section, all ~~[All]~~ money received from the sale of the bonds shall be deposited in a fund created with the state treasurer to be known as the farm and ranch finance program fund. This fund shall be administered by the Texas Agricultural Finance Authority ~~[Veterans' Land-Board]~~ in the manner prescribed by law.

(g) Notwithstanding Subsection (a) of this section, the proceeds of \$200 million of the bonds authorized by this section may be used for the purposes provided by Section 49-i of this article and for other rural economic development programs, and the proceeds of bonds issued for those purposes under this subsection shall be deposited in the Texas agricultural fund, to be administered in the same manner that proceeds of bonds issued under Section 49-i of this article are administered.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 7, 1995. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment allowing the use of

S.J.R. No. 51

1 existing bond authority of the farm and ranch finance program to
2 include financial assistance for the expansion, development, and
3 diversification of production, processing, marketing, and export of
4 Texas agricultural products."

me
CAB 55-4

S.J.R. No. 51

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 51 was adopted by the Senate on April 25, 1995, by the following vote: Yeas 31, Nays 0; May 19, 1995, Senate refused to concur in House amendment and requested appointment of Conference Committee; May 23, 1995, House granted request of the Senate; May 29, 1995, Senate adopted Conference Committee Report by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

I hereby certify that S.J.R. No. 51 was adopted by the House, with amendment, on May 9, 1995, by the following vote: Yeas 139, Nays 0, one present not voting; May 23, 1995, House granted request of the Senate for appointment of Conference Committee; May 27, 1995, House adopted Conference Committee Report by the following vote: Yeas 139, Nays 1, three present not voting.

Chief Clerk of the House

BILL ANALYSIS

Senate Research Center

S.J.R. 51
By: Montford
Finance
06-30-95
Enrolled

BACKGROUND

The Texas Agricultural Finance Authority is permitted to issue \$25 million in general obligation bonds to guarantee loans for the startup and operation costs of agricultural businesses.

Currently, the farm and ranch finance program has \$500 million in voter-approved general obligation bonds available to provide low interest financing for purchasing farm and ranch land. There is a statutory limit of \$150,000 per applicant.

PURPOSE

As enrolled, S.J.R. 51 requires the submission to the voters of a constitutional amendment to require the farm and ranch finance program fund to be administered by the Texas Agricultural Finance Authority and to require the proceeds of \$200 million of the bonds to be deposited in the Texas agricultural fund.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49-f, Article III, Texas Constitution, by amending Subsection (b) and by adding Subsection (g), as follows:

(b) Requires the farm and ranch finance program fund to be administered by the Texas Agricultural Finance Authority, rather than the Veterans' Land Board, in a manner prescribed by law. Makes a conforming change.

(g) Authorizes the proceeds of \$200 million of the bonds authorized by this section to be used for the purposes of Section 49-i of this article and for other rural economic development programs. Requires the proceeds of the bonds issued for purposes under this subsection to be deposited in the Texas agricultural fund, to be administered in the same manner that proceeds of bonds issued under Section 49-i are administered.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 7, 1995. Sets forth the required language for the ballot.

S.J.R. No. 51

By Wmifard

Proposing a constitutional amendment consolidating general obligation bonding authority for certain agricultural funds.

3-10-95

Filed with the Secretary of the Senate

MAR 15 1995

Read and referred to Committee on FINANCE

APR 20 1995

Reported favorably _____

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed

Laid before the Senate

APR 25 1995

Senate and Constitutional Rules to permit consideration suspended by: { unanimous consent
_____ yeas, _____ nays

APR 25 1995

Read second time, _____, and ordered engrossed by: { unanimous consent
a viva voce vote
_____ yeas, _____ nays

APR 25 1995

Senate and Constitutional 3 Day Rule suspended by a vote of 31 yeas, 0 nays.

APR 25 1995

Read third time, _____, and passed by: 31 yeas, 0 nays

Betty King
SECRETARY OF THE SENATE

OTHER ACTION:

APR 25 1995

Engrossed

4-25-95

Sent to House

Engrossing Clerk Patsy Graw

APR 25 1995

Received from the Senate

APR 26 1995

Read first time and referred to Committee on FINANCIAL INSTITUTIONS

5-8-95

Reported _____ favorably (as amended) (as substituted)

MAY 09 1995

Sent to Committee on Calendars

MAY 9 1995

Read second time (comm. subst.) (amended) and adopted (passed to third reading) by a record vote of 139 yeas, 0 nays, 1 present, not voting

Read third time (amended) and finally adopted (failed of adoption) by a record vote of _____ yeas, _____ nays, _____ present, not voting

MAY 10 1995

Returned to Senate.

Cynthia Gerhardt
CHIEF CLERK OF THE HOUSE

Returned from House without amendment.

MAY 10 1995

Returned from House with 1 amendments.

Concurred in House amendments by a viva voce vote _____ yeas, _____ nays.

MAY 19 1995 Refused to concur in House amendments and requested the appointment of a Conference Committee to adjust the differences.

Senate conferees instructed.

MAY 19 1995 Senate conferees appointed: Moniford, Chairman; Bivins
Lucio, Brown, and Truman

5-23-95 House granted Senate request. House conferees appointed: Paterson, Chairman;
Kubick, Marshant Black, Juncell

MAY 26 1995 Conference Committee Report ~~read and~~ filed with the Secretary of the Senate.

5-27-95 Conference Committee Report adopted on the part of the House by: _____

{ ~~a viva voce vote~~
139 yeas, 1 nays 3pnr

MAY 29 1995 Conference Committee Report adopted on the part of the Senate by:

{ ~~a viva voce vote~~
30 yeas, 1 nays

OTHER ACTION:

_____ Recommitted to Conference Committee

_____ Conferees discharged.

_____ Conference Committee Report failed of adoption by: _____

{ a viva voce vote
_____ yeas, _____ nays

95 MAY -9 AM 9:58
HOUSE OF REPRESENTATIVES

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